

## **Program A: State Board of Cosmetology**

Program Authorization: R.S. 37:491; R.S. 36:109(B)(4);R.S. 499-556

### **PROGRAM DESCRIPTION**

The mission of the Louisiana State Board of Cosmetology is to regulate and monitor members of the cosmetology industry to maintain public health and welfare standards in the interest of the consumer public. In addition, the State Board of Cosmetology seeks to assure that no untrained, unlicensed persons are providing cosmetology services.

The goals of the Louisiana State Board of Cosmetology are:

1. Increase and improve productivity, assure and increase the standards of excellence, as well as, consistency and communication.
2. Insure that all operating cosmetologists have the proper license(s) and are operating under sanitary conditions.
3. Insure that all students graduating from schools are qualified for licensure and have attained a basic level of education.

The Louisiana State Board of Cosmetology program includes the following activities:

1. Executive Administration – Includes but is not limited to establishing testing procedures, maintaining a complaint tracking system, policy-making board meetings, administrative hearings, budgetary review and control.
2. Testing and Licensing and Investigation – The licensing program issues approximately 34,720 operator licenses 7,049 salon licenses, 53 schools are licensed annually. The licensing program also issues approximately 2,800 student licenses annually. The testing program administers approximately 2,900 exams annually.
3. Enforcement – Enforces the Cosmetology Act through inspections and investigations of formal complaints; provides reports for board review and supporting documentation for administrative hearings/action.

### **OBJECTIVES AND PERFORMANCE INDICATORS**

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

**The objectives and performance indicators that appear below are associated with program funding in the Base Executive Budget for FY 2000-01. Specific information on program funding is presented in the financial sections that follow performance tables.**

1. (KEY) Through the Administration activity, to improve the pass/fail ratio by 21% through the establishment of consistent testing procedures.

Strategic Link: *This objective ties to Louisiana State Board of Cosmetology Strategic Plan Objective 3.1, to improve the pass/fail ratio by 50%, through the establishment of consistent testing procedures, by June 30, 2003.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of students passing exams and receiving initial license	Not applicable <sup>1</sup>	85%	64%	64% <sup>2</sup>	85%	85%
K	Percentage increase in the number of students passing exams and receiving initial license	Not applicable <sup>3</sup>	10%	Not applicable <sup>3</sup>	21%	21%	21%
K	Cost per exam <sup>4</sup>	\$17.87	\$22.20	\$23.95	\$23.95	\$22.20	\$23.00
S	Number of students registered annually	Not applicable <sup>1</sup>	2,450	2,664	2,664	2,664	2,664
S	Number of exams administered annually	3,437	2,669	2,880	2,880	2,880	2,880
	<b>Percentage of licenses issued to exams administered</b>						
K	Cosmetology	62%	82%	86%	86%	86%	86%
K	Manicuring	43%	83%	61%	61%	79%	79%
K	Esthetician	100%	85%	72%	72%	85%	83% <sup>5</sup>
K	Teacher	69%	80%	50%	50%	70%	80% <sup>5</sup>
	<b>Licenses issued by license type</b>						
S	Cosmetology	910	1,540	1,100	1,100	1,486	1,486
S	Manicuring	195	550	580	580	796	799
S	Esthetician	18	50	48	48	49	58 <sup>5</sup>
S	Teacher	34	40	60	60	60	60 <sup>5</sup>
S	Total number of students taking exam <sup>6</sup>	Not applicable <sup>6</sup>	2,669	Not applicable <sup>6</sup>	2,880	2,880	2,880

- <sup>1</sup> New indicators added for FY 1999-2000, therefore the indicator does not have a yearend standard for FY 1998-1999.
- <sup>2</sup> The actual existing figure is 85% . Continuation and recommended levels were revised due to the availability of historical data to make more realistic projections.
- <sup>3</sup> New indicator added for FY 2000-2001, therefore the indicator has no yearend standard for FY 1998-1999, or an Act 10 standard for FY 1999-2000.
- <sup>4</sup> Cost per exam is calculated by taking the number of exam dates x number of exam team members (per diem + expenses)/ number of tests administered.
- <sup>5</sup> Figures in the recommended columns are based on the fact that the State Board of Cosmetology anticipates an increase in students passing the exam(s).
- <sup>6</sup> New indicator for FY 2000-2001. The indicator was previously reported as two indicators "the number of students passing the exam", and "the number of students failing exam". The two indicators have now been combined.

2. (KEY) Through the Testing and Licensing activity, to maintain the turnaround time for licenses issued at four weeks.

*Strategic Link: This objective ties to the Louisiana State Board of Cosmetology Strategic Plan Objective 1.2, to decrease the turn-around time for licenses issued to three weeks, and reduce the amount of licenses returned due to error(s) by 75% by December 31, 2002.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Renewal time frame (in weeks)	4	8	4	4	4	4
K	Total number of licenses issued	45,835	34,720	38,745	38,745	38,745	38,745
S	Number of licenses to one staff person	7,639	5,063	6,458	6,458	6,458	6,458
S	Cost per license issued	\$4.29	\$20.21	\$13.79	\$13.79	\$13.79	\$13.79

3. (KEY) Through the Investigation and Enforcement activity, to complete 39% of the installation and implementation of the new computer system for the purposes of tracking pertinent information, such as the number of violations issued, in order to decrease over time the number of violations issued, as a result of the distribution of information.

Strategic Link: *This objective ties to the Louisiana State Board of Cosmetology Strategic Plan Objective 1.1, to complete 100% installation and implementation of the new computer system by December 31, 2001.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of installation and implementation of computer system completed	Not applicable <sup>1</sup>	34%	45%	45%	45%	39% <sup>2</sup>
K	Percentage decrease in the number of violations issued	Not applicable <sup>1</sup>	15%	20%	20%	20%	20%
S	Total number of annual facility inspections <sup>3</sup>	27,096	15,010	24,000	24,000	21,050	21,050
S	Number of facilities licensed <sup>4</sup>	9,032	7,049	7,850	7,850	7,049	7,049
S	Cost per inspection	\$17.06	\$30.02	\$25.50	\$25.50	\$25.50	\$25.50
S	Average cost per facility licensed <sup>5</sup>	Not applicable <sup>1</sup>	\$39.29	\$39.29	\$39.29	\$39.29	\$39.29
K	Number of violations issued	Not applicable <sup>1</sup>	1,303	950	950	950	950

<sup>1</sup> New indicators added for FY 1999-2000, therefore the indicator has no yearend standard for FY 1998-1999.

<sup>2</sup> The New an Expanded request which was needed for completion of the second phase of the project was not recommended for funding.

<sup>3</sup> Two inspections per facility per year. Number of inspections reduced by Board motion, from three annually per facility to two annually per facility.

<sup>4</sup> Includes salons, schools, and booth rentals.

<sup>5</sup> Includes cost to issue a license, as well as perform inspections.

4. (SUPPORTING) Through the Investigation and Enforcement Activity, to reduce the number of complaints received regarding unlicensed operators by 30%.

Strategic Link: *This objective ties to the Louisiana State Board of Cosmetology Strategic Plan objective 2.1, to reduce the number of complaints received regarding unlicensed operators by 30% by January 1, 2001.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
S	Percentage decrease in the number of complaints received	Not applicable <sup>1</sup>	10%	10%	10%	30%	30%
S	Number of complaints received	Not applicable <sup>1</sup>	135	135	135	108	108
S	Percentage of complaints resulting in disciplinary action	Not applicable <sup>1</sup>	45%	45%	45%	45%	45%

<sup>1</sup> New indicators added for FY 1999-2000 ,therefore the indicator has no yearend standard for FY 1998-1999.

## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	1,356,837	1,551,663	1,552,197	1,474,007	1,464,563	(87,634)
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<u><b>\$1,356,837</b></u>	<u><b>\$1,551,663</b></u>	<u><b>\$1,552,197</b></u>	<u><b>\$1,474,007</b></u>	<u><b>\$1,464,563</b></u>	<u><b>(87,634)</b></u>
EXPENDITURES & REQUEST:						
Salaries	\$491,026	\$585,239	\$585,239	\$599,010	\$601,218	\$15,979
Other Compensation	86,186	125,420	125,420	125,420	125,420	0
Related Benefits	113,363	150,194	150,194	153,049	157,257	7,063
Total Operating Expenses	292,775	344,850	344,850	344,740	322,471	(22,379)
Professional Services	152,591	47,120	47,120	33,120	33,120	(14,000)
Total Other Charges	207,515	218,628	218,628	218,668	225,077	6,449
Total Acq. & Major Repairs	13,381	80,212	80,746	0	0	(80,746)
TOTAL EXPENDITURES AND REQUEST	<u><b>\$1,356,837</b></u>	<u><b>\$1,551,663</b></u>	<u><b>\$1,552,197</b></u>	<u><b>\$1,474,007</b></u>	<u><b>\$1,464,563</b></u>	<u><b>(87,634)</b></u>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	27	26	27	27	27	0
Unclassified	2	2	2	2	2	0
TOTAL	<u>29</u>	<u>28</u>	<u>29</u>	<u>29</u>	<u>29</u>	<u>0</u>

**Contingent on legislation being enacted in the 1st Extraordinary Session of 2000. (1) The following activity will be transferred to the appropriate state department (s): All activities of the Cosmetology Program.**

## SOURCE OF FUNDING

The State Board of Cosmetology Program is funded from Fees and Self-generated Revenues. The Fees and Self-generated Revenues are used to provide funding to promulgate and enforce rules and regulations, administer state laws regulating the cosmetology industry, and include fees and/or licenses for the issuance of licenses for cosmetologists, and the registration of salons, and cosmetology schools.

## ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
<b>\$0</b>	<b>\$1,551,663</b>	<b>28</b>	<b>ACT 10 FISCAL YEAR 1999-2000</b>
			<b>BA-7 TRANSACTIONS:</b>
\$0	\$534	0	Carryforward for customized plates machine which read "For Deposit Only" for check endorsing
\$0	\$0	1	Position increase to decrease backlog of licenses to be issued as well as to guarantee the four (4) week turnaround time as indicated by their performance indicators
<b>\$0</b>	<b>\$1,552,197</b>	<b>29</b>	<b>EXISTING OPERATING BUDGET – December 3, 1999</b>
\$0	\$9,966	0	Annualization of FY 1999-2000 Classified State Employees Merit Increase
\$0	\$6,660	0	Classified State Employees Merit Increases for FY 2000-2001
\$0	(\$2,161)	0	Risk Management Adjustment
\$0	(\$80,212)	0	Non-Recurring Acquisitions & Major Repairs
\$0	(\$534)	0	Non-Recurring Carry Forwards
\$0	\$34	0	Legislative Auditor Fees
\$0	(\$25)	0	UPS Fees
\$0	\$14,478	0	Salary Base Adjustment
\$0	(\$12,270)	0	Attrition Adjustment
\$0	(\$15,979)	0	Salary Funding from Other Line Items
\$0	\$347	0	Civil Service Fees
\$0	(\$14,000)	0	Other Non-Recurring Adjustments - Computer Contract for Licensing System
\$0	\$6,062	0	Other Adjustments - Indirect Cost Adjustment
<b>\$0</b>	<b>\$1,464,563</b>	<b>29</b>	<b>TOTAL RECOMMENDED</b>
<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS</b>
<b>\$0</b>	<b>\$1,464,563</b>	<b>29</b>	<b>BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001</b>
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL</b>

			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE</b>
<b>\$0</b>	<b>\$1,464,563</b>	<b>29</b>	<b>GRAND TOTAL RECOMMENDED</b>

The total means of financing for this program is recommended at 94.4% of the existing operating budget. It represents 94.5% of the total request (\$1,549,301) for this program. The major changes reflected in the analysis of recommendation include: decreased funding for a Non-Recurring adjustment for a computer contract for the Licensing System -\$14,000; and decreased funding for a Non-Recurring adjustment for Acquisitions and Major Repairs -\$80,212.

## PROFESSIONAL SERVICES

\$27,000	Legal Services - Provide legal services as required by the State Board of Cosmetology, including advisory opinions, legal research, and appearances in court on behalf or in defense of the State, etc.
\$6,120	Training, planning, court reporter, and other miscellaneous services deemed necessary
<b>\$33,120</b>	<b>TOTAL PROFESSIONAL SERVICES</b>

## OTHER CHARGES

\$1,818	Legislative Auditor expenses
<b>\$1,818</b>	<b>SUB-TOTAL OTHER CHARGES</b>
	<b>Interagency Transfers:</b>
\$217,375	Reimbursement for support services provided by the Office of the Secretary (fiscal, human resources, information services, purchasing, etc.)
\$1,942	Pro-rata share of cost of operations of the Department of Civil Service
\$152	Pro-rata share of cost of operations of the Comprehensive Public Training Program
\$790	Pro-rata share of cost of operations of the Uniform Payroll System
\$3,000	Microfilming services provided by Prison Enterprises
<b>\$223,259</b>	<b>SUB-TOTAL INTERAGENCY TRANSFERS</b>
<b>\$225,077</b>	<b>TOTAL OTHER CHARGES</b>

## ACQUISITIONS AND MAJOR REPAIRS

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2000-2001.